GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:417
ANSWERED ON:19.07.2016
Subsidy to Farmers
Gawali (Patil) Ms. Bhavana;Tumane Shri Krupal Balaji

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) the number of farmers in the country at present, State-wise;

(b) whether a majority of small farmers are indebtedness in the country and if so, the details thereof along with the efforts being made by the Government to bail them out from debt;

(c) whether the Government has formulated any policy for extending benefits of subsidy and incentives to the farmers for cultivation of crops and if so, the details thereof; and

(d) whether the Government proposes to constitute a commission to suggest ways and means of raising farm income on the line of pay commission in the service sector and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) & (b): As per the Situation Assessment Survey (SAS) of Agricultural Households, conducted by National Sample Survey Office (NSSO) during the agricultural year July 2012 to June 2013, the estimated number of rural agricultural households in the country was 90.2 million. Out of this, about 47 million households, i.e., 52 percent, were estimated to be under debt from various sources. State-wise details are at Annexure-I. About 56 per cent of the small agricultural households (land holdings of 1-2 hectare) were estimated to be indebted during the survey period.
Contdâ€¦2/-

Government of India is making efforts for increasing the coverage of institutional credit in the agricultural sector. As against the agricultural credit target of Rs. 8,50,000 crore for 2015-16, a total of Rs. 8,77,224 crore (provisional) has been advanced through commercial banks, cooperative banks and regional rural banks. Further, an interest subvention scheme is under implementation since 2006-07. Under the Scheme, the farmers who repay their crop loans as per the repayment schedule fixed by the banks enjoy 3 per cent interest subvention. Thus, making their effective interest rate for crop loan 4 per cent per annum. In order to discourage distress sale by farmers and to encourage them to store their produce, the benefit of interest subvention scheme has been extended to small and marginal farmers having Kisan Credit Card for a further period of upto six months, post-harvest on the same rate as available to crop loan against negotiable warehouse receipts.

(c): The existing Schemes of the Government have provisions for subsidies on various agricultural inputs such as, seeds, fertilizers, machinery and equipments etc., to incentivize farmers in the country for cultivation of crops. Government also fixes Minimum Support Prices (MSP) for various agricultural crops, as an instrument to incentivize farmers to bring more area under cultivation of crops and to invest on increasing the productivity. Details of MSP announced during the last five years are given in Annexure-II.

(d) No, Madam.